GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1513
ANSWERED ON:16.07.2004
PRICE INDEX
Adhalrao Patil Shri Shivaji

Will the Minister of FINANCE be pleased to state:

(a) The details of wholesale price index rate of essential commodities and consumer price index during the first quarter of current financial year ;

(b)The point to point weekly rate of inflation prevailing during the said period;

(c)reasons for continuous rise in price index ; and

(d)The steps being taken by the Government to check the increase in the prices of essential commodities and to contain the rate of inflation?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM)

(a)&(b) : Point to point annual rates of inflation in terms of Wholesale Price Index (base: 1993-94) for each week during the first quarter of the current financial year for all commodities and essential commodities are given below :

Annual Inflation Rate (%)

Week Ending (2004)	All Comm.	Essential Comm.
3-Apr	4.51	5.30
10-Apr	4.57	4.42
17-Apr	4.68	4.39
24-Apr	4.32	4.07
1-May	4.60	4.68
8-May	4.20	4.45
15-May	4.67	4.79
22-May	5.02	5.20
29-May	5.03	5.01
5-Jun	5.55	5.05
12-Jun	5.89	4.95
19-Jun	5.87	4.58
26-Jun	6.09	4.72

Essential commodities include: Rice, Wheat, Gram, Arhar, Potatoes, Onion,Tea, Sugar, Rape/ Mustard oil, Groundnut oil, Salt, Vanaspati, Jowar, Bajra, Moong, Masur, Urad, Milk, Fish-Inland, Mutton, Chillies(Dry), Atta, Gur, Coconut oil, Coking coal, Kerosene, Long cloth, Dhoties, Sarees & Voils, Laundry soap, Safety matches, which have a total weight of 17.63 per cent in the WPI.

Consumer price index for industrial workers (base -1982) and the inflation rate based on CPI (IW) upto May 2004 is given below:

Month (2004) Index CPI Annual inflation Rate (%)

April	504	2.2
May	508	2.8

(c) The increase in the price index during the first quarter of the current financial year was mainly caused by the rise in the prices of fruits and vegetables (which is essentially seasonal in nature), basic metal products and the increase in the prices of petrol, diesel, LPG and coal with effect from 15th June 2004.

(d) Government`s anti-inflationary policies include strict fiscal and monetary discipline, effective management of supply-demand through liberal imports of essential commodities and strengthening of public distribution system for foodgrains.